

greater elaboration in the Bullion Report. The evidence showed that silver had disappeared from circulation, even for subsidiary purposes, and been replaced by silver notes. Mr. Colville, a director of the Bank of Ireland, testified that there were in Ireland seven bankers issuing notes ; 28 issuers of gold and silver notes, 62 issuers of silver notes ; and 128 issuers of I. O. IPs.* The Bank of Ireland made large profits upon its forced circulation, and paid dividends never less than six and a half per cent, and rising in 1803 and 1805, including a bonus, to twelve and a half per cent. Exchange on Ivondon became favorable after a time, not because the value of Irish currency was raised, but because that of England had fallen to its level.

The substantial monopoly of joint stock banking by means of note issues was conferred upon the Bank of Ireland by the act of incorporation, which declared that it should " not be lawful for any body politic or corporate, erected or to be erected, other than the corporation thereby intended to be created and erected into a national bank, or for any other persons whatsoever united or to be united in covenant or partnership exceeding the number of six persons, to borrow, owe, or take up any sum or sums of money on their bills or notes payable at demand, or at any less time than six months from the borrowing thereof." This provision left it in the power of individuals and firms of small numbers to issue notes, and this privilege was availed of to a great extent after the suspension of cash payments. Notwithstanding the worthless character of many of these institutions, the demand for currency was so imperative that large quantities of notes were easily floated and great distress occurred, after 1820, when the number of institutions outside the Bank of Ireland had been reduced to six. The Bank of Ireland was permitted by an Act of 1821 (chapter 27) to resume cash payments on June 1st of that year.

The absence of a proper circulating medium, in spite of the monopoly enjoyed by the Bank of Ireland, led to a pro-

¹ MacLeod, *Theory of Credit*, II., 609.